PUBLIC CHAPTER NO. 1010

HOUSE BILL NO. 2888

By Representatives Coleman, Overbey, Sherry Jones

Substituted for: Senate Bill No. 3882

By Senators Kyle, Woodson, Marrero

AN ACT to amend Tennessee Code Annotated, Title 35, Chapter 16, Part 1, relative to certain debts.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

- SECTION 1. Tennessee Code Annotated, Section 35-16-102, is amended by inserting the following language as a new, appropriately numbered item:
 - () "Spouse" or "former spouse" means only persons to whom the transferor was legally married at, or before, the time the qualified disposition is made.
- SECTION 2. Tennessee Code Annotated, Section 35-16-104, is amended by adding the following language as a new, appropriately designated subsection:

(i)

- (1) Notwithstanding any provision of subsections (a) or (b) to the contrary, the limitations on actions by creditors in law or equity shall not apply and such creditors' claims shall not be extinguished if the transferor is indebted on account of an agreement, judgment, or order of a court for the payment of one of the following:
 - (A) Past due child support;
 - (B) Past due alimony in solido of a spouse or former spouse;
 - (C) Past due alimony or support of a spouse or former spouse; or
 - (D) A written agreement, judgment, or order of a court for division of marital property of a spouse or former spouse; but only to the extent of such debt, legally mandated interest, and the reasonable cost of collection.

- (2) A claim provided under this subsection (i) shall be asserted against a trustee only:
 - (A) Upon a final non-appealable determination of a Tennessee court, or a fully domesticated, final non-appealable order of a foreign court that such debt is past due; and
 - (B) After the court has determined that the claimant has made reasonable attempts to collect the debt from any other sources of the transferor or that such attempts would be futile.

Nothing herein shall be construed to prohibit the court from making the findings required in subdivisions 2(A) and 2(B) in the same proceeding and order.

SECTION 3. This act shall take effect July 1, 2008, the public welfare requiring it.

PASSED: May 7, 2008

MMY NAIFEH, SPEAKER SE OF REPRESENTATIVES

RON BAMS LY, SPEAKER SENATE OF THE SENATE

APPROVED this 22nd day of May 2008

PHIL BREDESEN, GOVERNOR